

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
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DELPHI CORPORATION, et al. : Case No. 05-44481 (RDD)
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Debtors. : (Jointly Administered)
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**SUMMARY SHEET PURSUANT TO THE UNITED STATES TRUSTEE GUIDELINES
FOR REVIEWING APPLICATION FOR COMPENSATION AND REIMBURSEMENT
OF EXPENSES UNDER 11 U.S.C. 330**

FIRST INTERIM APPLICATION OF

Name of Applicant: FTI Consulting, Inc.
Authorized to provide
Professional Services to: Delphi Corporation, et al.
Date of Retention Order¹: November 4, 2005
Period for which compensation
and reimbursement is sought: October 8, 2005 through January 31, 2006
Amount of Compensation requested: \$8,502,443.60
Amount of Expense Reimbursement requested: \$687,569.02
This is an (a): X Interim Final Application

¹ Pursuant to an order of the Court dated November 4, 2005 (the "Final Retention Order"), the Debtors were authorized to retain FTI as their restructuring and financial advisor to render advisory services in connection with these Chapter 11 cases.

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In re:	Chapter 11
DELPHI CORPORATION, <u>et al.</u> ,	Case No. 05-44481 (RDD)
Debtors.	(Jointly Administered)
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**FIRST INTERIM APPLICATION FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES INCURRED BY FTI CONSULTING, INC.
AS RESTRUCTURING AND FINANCIAL ADVISOR TO THE DEBTORS
FOR THE PERIOD OCTOBER 8, 2005 THROUGH JANUARY 31, 2006**

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Application

Exhibits:

- A. Certification of Randall S. Eisenberg
- B. Credentials and Summary of Fees by Professional
- C. Summary of Fees and Expenses by Month
- D. Summary of Fees and Hours by Project Category by Month
- E. Summary of Expenses by Category by Month
- F. Final Order Authorizing the Employment and Retention of FTI Consulting, Inc. as Restructuring and Financial Advisor to the Debtors.
- G. Detail of Professional Fees for the Period October 8, 2005 through November 30, 2005; December 1, 2005 through December 31, 2005; and January 1, 2006 through January 31, 2006.
- H. Detail of Out-of-Pocket Expenses by Professional for the Period December 1, 2005 through December 31, 2005; December 1, 2005 through December 31, 2005; and January 1, 2006 through January 31, 2006.

Pursuant to the Administrative Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the “Administrative Order”) dated November 4, 2005, FTI Consulting, Inc. is filing this Application with this Court, including Exhibits A-H.

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FOR THE PERIOD OCTOBER 8, 2005 THROUGH JANUARY 31, 2006**

TO THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE:

FTI Consulting, Inc. (hereinafter referred to as “FTI” or the “Applicant”) moves pursuant to Sections 330 and 331 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Administrative Order establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated November 4, 2005 (the “Administrative Order”), for an Order awarding reasonable interim compensation for professional services as Restructuring and Financial Advisors to the Debtors and Debtors-in-Possession (the “Debtors” or the “Company”) in the amount of \$8,502,443.60 together with reimbursement for actual and necessary expenses in the amount of \$687,569.02 for the period of October 8, 2005 (“the Petition Date”) through January 31, 2006, inclusive (the “First Interim Fee Period” or the “Application Period”). In support of this application, FTI represents as follows:

OVERVIEW

1. These Chapter 11 cases commenced with the filing by the Debtors of Voluntary Petitions for Relief under Chapter 11 of the Bankruptcy Code on October 8, 2005 in the United States Bankruptcy Court, Southern District of New York (the “Court”). These

Chapter 11 cases are being jointly administered for procedural purposes. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. No trustee or examiner has been appointed in the Debtors' Chapter 11 cases. A statutory committee of unsecured creditors (the "UCC") was appointed on October 17, 2005.

3. Pursuant to an order of the Court dated October 14, 2005 (the "Interim Retention Order"), the Debtors were authorized to retain FTI as their restructuring and financial advisors to render advisory services in connection with these Chapter 11 cases on an interim basis, with the retention to become final following a hearing to consider any objections filed to the Debtors' application for authority to employ FTI. A hearing on FTI's retention was conducted on October 27, 2005, where after, the Court entered an order dated November 4, 2005 (the "Final Retention Order"), authorizing the Debtors to retain FTI as their restructuring and financial advisors in these Chapter 11 cases. A copy of the Final Retention Order is attached hereto as Exhibit F. FTI also filed its First Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting, Inc. as Restructuring and Financial Advisor to the Debtors on February 27, 2006. Further, FTI filed its Second Supplemental Affidavit of Randall S. Eisenberg in support of the Retention of FTI Consulting Inc. as Restructuring and Financial Advisor to the Debtors on April 26, 2006.

4. This is FTI's first interim application for compensation and expense reimbursement filed in these cases. No previous application for fees and expenses requested herein has been filed prior with this or any other Court.

5. Included in the \$8,502,443.60 fee amount is \$1,700,488.65 that represents the 20% professional fee holdback referenced in the Administrative Order for the period of October 8, 2005 through January 31, 2006. FTI seeks interim allowance and payment of the fees and expenses in total, including the 20% holdback on professional fees.

6. As of the date hereof, pursuant to the Administrative Order, the Debtors

have paid to FTI since the Petition Date payments in respect of the First Interim Fee Period totaling \$6,801,954.95 for fees and \$687,569.02 for expenses as detailed in Exhibit C. Prior to the Petition Date, FTI received and continues to hold a retainer from the Debtors in the amount of \$510,256.07.

SUMMARY OF SERVICES RENDERED BY FTI

7. The Applicant has provided extensive and valuable services, contributing substantial value to the Debtors' estate as Restructuring and Financial Advisors. The following is a summary of the significant professional services rendered by FTI during the Application Period.

01 – Fulfill Information Requests and Participate in Meetings with Pre-petition Lenders and their Advisors

FTI worked with the Debtors to efficiently and effectively manage and coordinate the requests for information and meetings received from the pre-petition lenders and their advisors. FTI reviewed over 80 specific information requests, determined who at the Company could best fulfill the request, scheduled and conducted meetings between Company personnel and the requesting party and followed up to ensure that all information requests were appropriately fulfilled in a timely fashion. To manage the volume of information dissemination, FTI worked with the company to create and maintain an electronic and paper library with an index of all documents and files distributed to the various constituents and their advisors. FTI played an integral role in the efficient, effective and timely dissemination of information to keep the pre-petition lenders and their advisors informed of case developments.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	2.2	\$1,375.00
Caruso, Robert	Senior Managing Director	\$580	3.2	\$1,856.00

Name	Position	Billing Rate	Total Hours	Total Fees
King, Scott	Senior Managing Director	\$580	45.5	\$26,390.00
Guglielmo, James	Managing Director	\$540	2.9	\$1,566.00
Wehrle, David	Director	\$495	6.8	\$3,366.00
Mack, Chris	Director	\$445	41.1	\$18,289.50
Fletemeyer, Ryan	Consultant	\$340	1.1	\$374.00
Concannon, Joseph	Associate	\$235	30.8	\$7,238.00
Zavo, Kristen	Associate	\$235	23.0	\$5,405.00
Sub-total			198.7	\$87,751.50
Fee accommodation				(\$1,000.00)
Total			198.7	\$86,751.50

02 – Cash Management & Reporting

FTI assisted the Debtors in developing a 13-week cash flow analysis used to monitor and project the Debtors' short-term cash flow position. FTI assisted the Debtors in all aspects of this analysis, including but not limited to: (i) developing a process to maintain and update a rolling 13-week cash flow report, including supporting analyses, footnotes and key assumptions; (ii) interviewing the Debtors' personnel to evaluate assumptions used to forecast cash receipts and disbursements; (iii) assisting the Company with the reconciliation of the 13-week cash flow projections to the DIP Projections; (iv) gathering actual cash flow data for comparison to the 13-week cash flow projections (v) preparing various sensitivity analyses for cash management purposes; and (vi) assisting the Company with variance reporting and responding to questions from various constituents. Through these efforts, the Debtors were able to more accurately project anticipated cash inflows and outflows, manage overall liquidity and report anticipated cash flows on a regular basis to the various constituents.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	0.8	\$500.00

Name	Position	Billing Rate	Total Hours	Total Fees
King, Scott	Senior Managing Director	\$580	39.1	\$22,678.00
Guglielmo, James	Managing Director	\$540	1.2	\$648.00
Schlater, Benjamin	Managing Director	\$520	13.7	\$7,124.00
Mack, Chris	Director	\$445	184.7	\$82,191.50
Concannon, Joseph	Associate	\$235	16.1	\$3,783.50
Zavo, Kristen	Associate	\$235	26.3	\$6,180.50
Sub-total			281.9	\$123,105.50
Fee accommodation				(\$3,000.00)
Total			281.9	\$120,105.50

03 – DIP Financing/Treasury

FTI assisted the Company with several aspects of the DIP financing. FTI participated in the discussions and negotiations with the lenders relating to the covenant package, the borrowing base parameters and the overall financing structure, as well as assisted with the analysis and strategic support related to the amendments to the credit agreement. FTI assisted the Company in preparation of bank presentations, confidential information memorandum and ratings agency presentations used to syndicate the credit facility. In addition, FTI assisted and facilitated the appraisal process of the majority of the Debtors' fixed assets and inventory.

A financial model was developed by the Company with the assistance and support of FTI. This model included the projected financial results, statement of position, cash flow and related liquidity for the period encompassed by the DIP financing facility for the Debtors and the Company on a consolidated basis. This financial model was used to support the financing, measure covenants and the adequacy of the facility size, as well as help implement a borrowing base and review the Debtors' working capital. FTI also used this model to facilitate the preparation of the variance reports required under the credit agreement. FTI assisted the lenders and their advisors with the due diligence related to the credit facility including a detailed walk-through of the model and other treasury

forecasting and cash monitoring tools. FTI also developed sensitivity analyses to reflect liquidity changes resulting from various business plan scenarios.

In addition, FTI advised and assisted with various due diligence processes related to the DIP financing and syndication process, including tracking the flow of information exchanged between the DIP Lenders and the Company, discussing information requests received from the DIP Lenders with the appropriate Company contacts, and compiling and sending information to fulfill the DIP Lenders' information requests.

FTI continues to provide ongoing day-to-day Treasury support, which includes assistance with the required borrowing base reporting, compilation of professional fee reports, development of various covenant and liquidity analyses based on sensitivities, as well as other general day-to-day support. Through these efforts and those of other professionals and management involved, the Debtors successfully completed a \$4.5 billion financing package comprised of \$2.5 billion pre-petition secured debt and \$2.0 billion secured DIP financing.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	14.3	\$8,937.50
King, Scott	Senior Managing Director	\$580	122.7	\$71,166.00
Frankum, Adrian	Managing Director	\$560	1.8	\$1,008.00
Guglielmo, James	Managing Director	\$540	3.2	\$1,728.00
Schlater, Benjamin	Managing Director	\$520	192.0	\$99,840.00
Emrikian, Armen	Director	\$445	0.8	\$356.00
Mack, Chris	Director	\$445	157.3	\$69,998.50
Pokrassa, Michael	Consultant	\$365	3.3	\$1,204.50
Fletemeyer, Ryan	Consultant	\$340	1.1	\$374.00
Tamm, Christopher	Consultant	\$310	12.4	\$3,844.00
Hofstad, Ivo	Consultant	\$265	2.5	\$662.50
Concannon, Joseph	Associate	\$235	476.8	\$112,048.00
Zavo, Kristen	Associate	\$235	42.2	\$9,917.00
Sub-total			1,030.4	\$381,084.00

Name	Position	Billing Rate	Total Hours	Total Fees
Fee accommodation				(\$11,000.00)
Total			1,030.4	\$370,084.00

04 – Business Plan Modeling and Analysis

FTI supported the analysis of the Company's various business plan scenarios through the operation and refinement of an integrated financial model to evaluate the five-year income and cash impacts of such scenarios. This integrated model was used to prepare various performance scenarios which were distributed to various constituents in January and February, 2006. In addition to supporting the analysis of various Company scenarios, FTI continually updated the model for the impact of reliefs granted under certain case motions and modifications to various forecasting assumptions.

FTI has worked continuously with the Company in refining this model to analyze key scenario assumptions including, but not limited to, the economic impact of labor proposals, expense reduction initiatives, potential portfolio decisions, and the impact of Chapter 11 on operating performance and liquidity. FTI incorporated the 2005–2010 steady state scenario projections into the model. FTI assessed DIP facility covenant compliance based on scenario forecasts. FTI also created various output schedules, based on analyses performed in the model, as requested by the Company.

FTI provided assistance with evaluating the reasonableness of certain projection scenario assumptions and advised the Company on potential modifications as necessary. Additionally, FTI participated in multiple review sessions which the Company held to assess the reasonableness of model assumptions and outputs. FTI assisted the Company in the development of presentations to senior management and the Board of Directors summarizing the output of the model and key scenario assumptions.

FTI has played an integral role in modeling scenarios which have been used as the basis for negotiations with various constituents and aided management and the Board of Directors in making various key strategic decisions. The outputs from the financial

model allowed the Company and its Board of Directors to make timely decisions and has served as the basis for current and future negotiations with key constituents, including the unions and General Motors. FTI worked with the Company to facilitate the compilation of support materials for the Company's steady state scenario. FTI prepared an initial list of suggested support materials related to income statement and balance sheet projections. Upon discussions with the Company and further refinement of this list, FTI coordinated with the Company to direct the gathering, compilation, review / analysis, and distribution of these materials. The steady state scenario, along with these corresponding support materials, were distributed to financial advisors in January 2006.

FTI also participated in working sessions with Company personnel to design the initial framework and mechanics of a comprehensive product line model with the ability to evaluate and measure product line profitability in the U.S. and rest-of-world. FTI and the Company evaluated multiple model design and architecture options. Through a series of meetings, FTI and the Company reviewed various options regarding the analysis of key elements (e.g. labor and portfolio transformation) in this model. FTI developed and designed data collection templates for distribution to the various divisions in order to streamline the information gathering process.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	28.6	\$17,875.00
Caruso, Robert	Senior Managing Director	\$580	0.8	\$464.00
King, Scott	Senior Managing Director	\$580	185.3	\$107,474.00
Guglielmo, James	Managing Director	\$540	3.2	\$1,728.00
Schlater, Benjamin	Managing Director	\$520	244.2	\$126,984.00
Emrikian, Armen	Director	\$445	381.0	\$169,545.00
Mack, Chris	Director	\$445	34.5	\$15,352.50
Goad, Charles	Director	\$415	228.8	\$94,952.00
Pokrassa, Michael	Consultant	\$365	975.6	\$356,094.00

Name	Position	Billing Rate	Total Hours	Total Fees
Robinson, Josh	Consultant	\$340	1.0	\$340.00
Tandon, Vaibhav	Consultant	\$340	39.3	\$13,362.00
Tamm, Christopher	Consultant	\$310	711.9	\$220,689.00
Barach, Jonathan	Associate	\$235	12.0	\$2,820.00
Concannon, Joseph	Associate	\$235	164.0	\$38,540.00
Zavo, Kristen	Associate	\$235	21.2	\$4,982.00
Sub-total			3,031.4	\$1,171,201.50
Fee accommodation				(\$40,000.00)
Total			3,031.4	\$1,131,201.50

19 – Key Employee Compensation Program

FTI assisted the Debtors and outside counsel in fulfilling document production inquiries from various interested parties related to the Key Employee Compensation Program (“KECP”). This process was organized using a virtual data room site in which information responsive to the numerous requests from the various objecting parties to the motion, and other key constituents, was made available. In providing this service, FTI worked with Company representatives and Debtors’ Counsel in accumulating the information and data items that would be responsive to external inquiries, organizing the document flow and providing appropriate parties access to the information. Furthermore, FTI continually updated the contents of the virtual data room as new information was provided by the Company.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Pfromer, Edward	Managing Director	\$350	3.6	\$1,260.00
Fletemeyer, Ryan	Consultant	\$340	16.2	\$5,508.00
Total			19.8	\$6,768.00

***20 – 1113/1114 Analysis and Negotiations Pertaining to Collective Bargaining
Agreements***

FTI participated in various labor strategy meetings with Company representatives and its advisors relative to the Debtors' 1113/1114 strategy, analysis and negotiations. The information and strategies employed by the Debtors related to the 1113/1114 analysis was also utilized by FTI in the construction of the Debtors' business plan models and modeling scenarios as well as in discussions with key external constituents such as the UCC's advisors.

FTI's efforts have also assisted the Debtors in keeping certain Union's financial advisors informed of new developments in the case, fulfilling information requests from the Unions and their advisors for financial, operational and labor-related data, which has assisted in lending to constructive dialogue and negotiations between the Debtors and the Unions.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	19.2	\$12,000.00
King, Scott	Senior Managing Director	\$580	4.9	\$2,842.00
Frankum, Adrian	Managing Director	\$560	5.1	\$2,856.00
Guglielmo, James	Managing Director	\$540	33.6	\$18,144.00
Schlater, Benjamin	Managing Director	\$520	30.8	\$16,016.00
Emrikian, Armen	Director	\$445	17.5	\$7,787.50
Mack, Chris	Director	\$445	1.3	\$578.50
Goad, Charles	Director	\$415	7.4	\$3,071.00
Pfromer, Edward	Managing Director	\$350	0.5	\$175.00
Fletemeyer, Ryan	Consultant	\$340	1.8	\$612.00
Tamm, Christopher	Consultant	\$310	5.5	\$1,705.00
Uhl, Michael	Associate	\$265	2.1	\$556.50
Sub-total			129.7	\$66,343.50
Fee accommodation				(\$1,000.00)
Total			129.7	\$65,343.50

22 – A/P Cutoff & Post-petition Operations

FTI assisted the Debtors with achieving the necessary cutoff of pre-petition liabilities by advising on and assisting with the implementation of controls to ensure that such liabilities were segregated in the Debtors' records and not paid without Bankruptcy Court approval. In this role, FTI participated in meetings with management and Debtors' personnel to discuss and review the effectiveness of the cutoff procedures and to address issues as they arose. FTI provided feedback on the controls, procedures and recommendations for improvement. Such analysis and review was conducted for the Debtors operating under their centralized payable system, as well as for the eight subsidiaries that use separate, independent payables systems. In addition, FTI reviewed various pre-petition invoices and other requests for payment, and advised the Debtors' on whether such items were authorized for payment under various orders of the Court. FTI also worked with the Company to identify outstanding pre-petition checks and monitor their reinstatement to accounts payable so that such unpaid amounts would be properly included as liabilities on the Debtors' Schedule of Assets and Liabilities and also be properly considered when processing reclamation demands. Finally, FTI also provided advice on various post-petition operational issues after the Debtors filed for Chapter 11.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	6.8	\$4,250.00
Caruso, Robert	Senior Managing Director	\$580	0.6	\$348.00
Frankum, Adrian	Managing Director	\$560	9.3	\$5,208.00
Guglielmo, James	Managing Director	\$540	5.0	\$2,700.00
Wada, Jarod	Director	\$445	2.8	\$1,246.00
Pokrassa, Michael	Consultant	\$365	5.5	\$2,007.50
Ubelhor, Julia	Consultant	\$365	2.6	\$949.00
Total			32.6	\$16,708.50

25 - Court Attendance and Expert Witness Testimony

FTI provided guidance in advance of and during Court Hearings to the Debtors and Debtors' Counsel on a variety of case motions. FTI attended various Bankruptcy Court hearings and prepared for and provided expert witness testimony, as necessary. FTI personnel also assisted the Debtors and counsel by preparing for depositions, proffers and declarations on a multitude of issues at various times during the case. FTI also reviewed various documents filed with the Court as needed to prepare for hearings and advise as necessary.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	137.8	\$86,125.00
Caruso, Robert	Senior Managing Director	\$580	16.2	\$9,396.00
King, Scott	Senior Managing Director	\$580	37.6	\$21,808.00
Frankum, Adrian	Managing Director	\$560	88.4	\$49,504.00
Guglielmo, James	Managing Director	\$540	27.3	\$14,742.00
Wehrle, David	Director	\$495	3.6	\$1,782.00
Pokrassa, Michael	Consultant	\$365	33.3	\$12,154.50
Dana, Steven	Consultant	\$340	27.4	\$9,316.00
Zavo, Kristen	Associate	\$235	1.4	\$329.00
Park, Ji Yon	Associate	\$205	7.9	\$1,619.50
Total			380.9	\$206,776.00

26 - Creditor Matrix

Due to the complexity of these cases and the number of creditors involved, the Debtors requested assistance in supplying relevant creditor name and address information to be used in the preparation of the Creditor Matrix required to be filed in these Chapter 11 proceedings. The Creditor Matrix was created by gathering creditor-related data from numerous functional groups (i.e., legal, tax, treasury, etc.), consolidated accounting systems and subsidiary records, for creditors of all of the Debtors. FTI's assistance in

this area included identification of sources of data required to be gathered, consolidation of collected data into FTI's Claims Management System ("CMS") and providing data files to the Claims Agent for use in sending Notice of the Chapter 11 proceedings to all parties listed on the Creditor Matrix. The Creditors Matrix included approximately 540,000 creditor and equity holders that were gathered from over 130 different sources of data.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Behnke, Thomas	Managing Director	\$540	6.6	\$3,564.00
Ubelhor, Julia	Consultant	\$365	6.8	\$2,482.00
Uhl, Michael	Associate	\$265	14.4	\$3,816.00
Total			27.8	\$9,862.00

28 - First Day Orders related to Suppliers – Implementation and Compliance

FTI provided assistance to the Debtors' in connection with the First Day Orders related to suppliers which were critical to maintaining an uninterrupted flow of critical parts, supplies, and services to the Debtors' operations. Through January 2006, the Debtors had received over 1,600 requests for payment under the various supplier-related orders relating to Contract Labor (pursuant to the Human Capital Order); Essential Suppliers; Foreign Creditors; Lienholders; and Shippers, Warehousemen & Customs Brokers. FTI assisted the Debtors in developing a process to identify claims potentially applicable to each of the Orders, route the claims to the appropriate personnel for resolution, and monitor the case backlog and payments by order. FTI provided guidance to the Debtors regarding criteria to be used in determining whether a supplier qualified for payment of its pre-petition claim. FTI assisted the Debtors with application of the criteria to specific circumstances and analyses of suppliers' financial condition. FTI also

participated in the motion review committee that evaluated and approved requests for payment under various supplier-related orders entered by the Court. In addition, FTI prepared a template to track open, rejected, and approved claims; reviewed the accuracy and integrity of the tracking data; and prepared reports as to the status of open claims and payments as defined in the orders.

FTI's efforts in this category allowed the Debtors to closely monitor and control payments under the key supplier-related First Day Orders as well as implement the benefits of these orders to effectuate a smooth transition into Chapter 11 and stabilize the Debtors' supply chain.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	0.9	\$562.50
Caruso, Robert	Senior Managing Director	\$580	51.1	\$29,638.00
Behnke, Thomas	Managing Director	\$540	1.3	\$702.00
Wehrle, David	Director	\$495	228.5	\$113,107.50
Emrikian, Armen	Director	\$445	3.0	\$1,335.00
Santos, Dominic	Director	\$445	249.8	\$111,161.00
Marbury, Aaron	Consultant	\$340	301.5	\$102,510.00
Weber, Eric	Consultant	\$310	489.3	\$151,683.00
Amico, Marc	Associate	\$205	2.3	\$471.50
Panoff, Christopher	Associate	\$205	273.1	\$55,985.50
Sub-total			1,600.8	\$567,156.00
Fee accommodation				(\$10,000.00)
Total			1,600.8	\$557,156.00

29 - First Day Orders related to all Other Motions (Non-Supplier) – Implementation and Compliance

FTI assisted the Debtors with implementation of various First Day Orders. FTI coordinated with the Debtors and the Debtors' Counsel to administer and track pre-

petition payments made pursuant to the First Day Orders granted by the Court. In doing so, FTI performed activities such as assisting the Debtors and Debtors' Counsel with defining and implementing an internal approval process for payment of pre-petition amounts pursuant to First Day Orders and evaluating various requests for treatment under the First Day Orders. FTI also assisted the Debtors with devising and implementing various internal procedures to gather operational and financial data relative to business dealing and transactions that require formal notice or Court approval.

FTI's efforts in this category allowed the Debtors to use the relief granted appropriately to ensure a smooth transition to a post-petition environment and to manage its operations in accordance with the authority granted under the First Day Orders.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	5.0	\$3,125.00
Frankum, Adrian	Managing Director	\$560	18.2	\$10,192.00
Guglielmo, James	Managing Director	\$540	81.7	\$44,118.00
Wehrle, David	Director	\$495	1.7	\$841.50
Wada, Jarod	Director	\$445	2.9	\$1,290.50
Pokrassa, Michael	Consultant	\$365	21.7	\$7,920.50
Dana, Steven	Consultant	\$340	98.3	\$33,422.00
Fletemeyer, Ryan	Consultant	\$340	26.9	\$9,146.00
Amico, Marc	Associate	\$205	3.6	\$738.00
McDonagh, Timothy	Associate	\$205	16.0	\$3,280.00
Park, Ji Yon	Associate	\$205	14.2	\$2,911.00
Schondelmeier, Kathryn	Associate	\$205	51.6	\$10,578.00
Sub-total			341.8	\$127,562.50
Fee accommodation				(\$3,000.00)
Total			341.8	\$124,562.50

30 – Assistance with various Motions

FTI assisted the Debtors and Debtors' Counsel with preparing and summarizing certain financial analyses and other data related to various motions that have been filed. In performing these analyses, FTI met with the appropriate Debtor personnel, discussed the costs and benefits of the relief being sought, and reviewed and verified the underlying calculations and supporting data. The inclusion of this financial data within these motions was important in providing the facts and circumstances to the Court in order to maintain or increase the value of the Debtors' estate for the benefit of all parties-in-interest.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Guglielmo, James	Managing Director	\$540	5.6	\$3,024.00
Fletemeyer, Ryan	Consultant	\$340	0.6	\$204.00
Total			6.2	\$3,228.00

31 - Customer Contract Analysis

FTI assisted the Debtors with the development of an analysis of approximately 3,200 part numbers (of which approximately 2,400 were GM-specific) and the subsequent assessment of the profitability of approximately 515 General Motors' contracts at four of the Company's specific manufacturing plants. FTI assisted the Debtors with the development of the underlying methodologies used to allocate revenue and costs to the individual part numbers and contracts. FTI participated in numerous meetings and conference calls with Company personnel and its advisors to evaluate the results of the analyses, possible strategic courses of action and the potential impact on the Debtors of those various strategies. This analysis was ultimately used to determine which General Motors contracts at these four plants were unprofitable and should be rejected.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	42.5	\$26,562.50
Caruso, Robert	Senior Managing Director	\$580	59.0	\$34,220.00
Kuby, Kevin	Managing Director	\$540	135.6	\$73,224.00
Schlater, Benjamin	Managing Director	\$520	5.0	\$2,600.00
Wehrle, David	Director	\$495	0.3	\$148.50
Emrikian, Armen	Director	\$445	30.2	\$13,439.00
Karamanos, Stacy	Consultant	\$365	97.9	\$35,733.50
Hofstad, Ivo	Consultant	\$265	1.5	\$397.50
Concannon, Joseph	Associate	\$235	23.3	\$5,475.50
Total			395.3	\$191,800.50

34 – Restructuring Strategy

Senior professionals at FTI participated in regular meetings with key advisors and senior management to discuss and advise on a multitude of strategic restructuring issues throughout the case. In addition, the FTI senior-level team members met periodically to review key issues in the case so as to both advise its client on various issues and to operate in an efficient manner.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	82.4	\$51,500.00
Caruso, Robert	Senior Managing Director	\$580	10.7	\$6,206.00
King, Scott	Senior Managing Director	\$580	57.0	\$33,060.00
Frankum, Adrian	Managing Director	\$560	9.0	\$5,040.00
Behnke, Thomas	Managing Director	\$540	4.1	\$2,214.00
Guglielmo, James	Managing Director	\$540	14.7	\$7,938.00
Kuby, Kevin	Managing Director	\$540	4.1	\$2,214.00
Schlater, Benjamin	Managing Director	\$520	3.6	\$1,872.00

Name	Position	Billing Rate	Total Hours	Total Fees
Wehrle, David	Director	\$495	7.9	\$3,910.50
Emrikian, Armen	Director	\$445	4.8	\$2,136.00
Mack, Chris	Director	\$445	4.1	\$1,824.50
Wada, Jarod	Director	\$445	2.9	\$1,290.50
Pokrassa, Michael	Consultant	\$365	2.7	\$985.50
Flettemeyer, Ryan	Consultant	\$340	4.1	\$1,394.00
Sub-total			212.1	\$121,585.00
Fee accommodation				(\$5,000.00)
Total			212.1	\$116,585.00

35 – Monthly Operating Reports

FTI worked closely with the Debtors to create the format for and preparation of the Monthly Operating Reports that are required to be filed with the Bankruptcy Court. FTI advised the Debtors with respect to the form of the Monthly Operating Report and assisted the Debtors in developing the included footnotes and disclosures. FTI researched common practices employed with respect to Monthly Operating Reports filed in the Southern District of New York and worked with management and Debtors' Counsel to develop a proposed Monthly Operating Report format for approval by the U.S. Trustee. FTI participated in conference calls with the U.S. Trustee and Debtors' Counsel to discuss, review and modify this proposal. During the Application Period, FTI participated in meetings with the Debtors to review various reporting issues relating to the Monthly Operating Reports and to provide advice on such matters in the context of a Chapter 11 filing.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	21.8	\$13,625.00
King, Scott	Senior Managing Director	\$580	6.0	\$3,480.00
Frankum, Adrian	Managing Director	\$560	54.2	\$30,352.00

Name	Position	Billing Rate	Total Hours	Total Fees
Behnke, Thomas	Managing Director	\$540	2.5	\$1,350.00
Guglielmo, James	Managing Director	\$540	1.4	\$756.00
Schlater, Benjamin	Managing Director	\$520	5.1	\$2,652.00
Mack, Chris	Director	\$445	6.4	\$2,848.00
Wada, Jarod	Director	\$445	5.4	\$2,403.00
Dana, Steven	Consultant	\$340	7.5	\$2,550.00
Total			110.3	\$60,016.00

38 – Reclamations

As a result of being the largest manufacturer company to file for Chapter 11, the Debtors were required to develop a process to manage one of the largest reclamation efforts in the history of U.S. Bankruptcy. FTI assisted the Debtors in designing and implementing a reclamation claims review process to manage and evaluate the 854 reclamations claims received, representing over 100,000 invoice lines of data, with an aggregate claim value of approximately \$287 million. To maximize efficiency, FTI worked with the Debtors to automate portions of the evaluation process. As the Debtors operate under multiple inventory and payables systems, this effort required customized process design work for each system. FTI worked with the Debtors and Debtors' Counsel to produce training materials and to train the more than 30 employees of the Debtors' and temporary employees involved in the reclamations testing process to enable them to properly evaluate the claims.

FTI also provided support to the reclamations process, assisting the Debtors with: (i) overall management of the claims process; (ii) identification and elimination of duplicative claims; (iii) evaluation of claims; (iv) determination as to whether information was sufficient for testing purposes; (v) tracking the effect of payments under other Court Orders on reclamation claims; (vi) managing the DACOR payables testing process; and, (vii) communications and correspondence with suppliers. Significant guidance was provided to the Debtors when complex or unusual issues arose. In

addition, FTI provided daily tracking, monitoring and reporting on the reclamations process. FTI also performed reviews of the completed reclamation analyses to ensure consistency and accuracy.

Throughout the reclamations process, FTI served as a coordinator to ensure that management of the Debtors and Debtors' Counsel were kept informed of the status of the reclamations process and of any issues that needed to be addressed. FTI also participated in bi-weekly meetings with Debtors' Counsel and the Debtors' reclamation team to ensure that issues were identified and addressed in a timely manner. Finally, FTI worked with the Debtors to design, draft and complete the reclamations report that was required to be provided to the Unsecured Creditors Committee under the Reclamations Procedures Order.

FTI's services with respect to work with reclamation claims was instrumental in the completion of the first phase of the reconciliation settlement process, and within the deadlines established by the Court.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	3.5	\$2,187.50
Caruso, Robert	Senior Managing Director	\$580	32.6	\$18,908.00
Frankum, Adrian	Managing Director	\$560	192.4	\$107,744.00
Behnke, Thomas	Managing Director	\$540	8.1	\$4,374.00
Wehrle, David	Director	\$495	5.0	\$2,475.00
Manalo, Caroline	Consultant	\$385	242.6	\$93,401.00
Ubelhor, Julia	Consultant	\$365	10.8	\$3,942.00
Dana, Steven	Consultant	\$340	88.0	\$29,920.00
Fletemeyer, Ryan	Consultant	\$340	43.5	\$14,790.00
Lawand, Gilbert	Consultant	\$340	207.8	\$70,652.00
Robinson, Josh	Consultant	\$340	18.9	\$6,426.00
Summers, Joseph	Consultant	\$340	28.8	\$9,792.00
Uhl, Michael	Associate	\$265	8.5	\$2,252.50
McDonagh, Timothy	Associate	\$205	1,045.5	\$214,327.50

Name	Position	Billing Rate	Total Hours	Total Fees
Panoff, Christopher	Associate	\$205	35.0	\$7,175.00
Park, Ji Yon	Associate	\$205	936.7	\$192,023.50
Schondelmeier, Kathryn	Associate	\$205	263.7	\$54,058.50
Shah, Sanket	Associate	\$205	8.0	\$1,640.00
Young, Robert	Associate	\$205	503.8	\$103,279.00
Sub-total			3,683.2	\$939,367.50
Fee accommodation				(\$40,000.00)
Total			3,683.2	\$899,367.50

40 - SOFA/SOAL

FTI assisted the Debtors prepare and file the Statement of Financial Affairs (“Statements”) and Schedule of Assets, Liabilities and Executory Contracts (“Schedules”), for each of the forty-two (42) Debtors. This combined submission contained approximately 23,500 pages and the Schedules included over 367,000 liability and executory contract entries. Preparation and assembly of the Statements and Schedules required close coordination between FTI, the Debtors’ Counsel and Debtors. Due to the structure of the Debtors’ businesses, it required interaction and data gathering from numerous sources including: (i) Debtors that use shared systems, (ii) subsidiary Debtors that use independent systems, (iii) multiple divisions, and (iv) various functional groups, including but not limited to accounting, finance, treasury, tax, legal, human resources.

Preparation of the Debtors’ Schedules and Statements required significant effort due to the sheer magnitude of the data involved and the timeframe in which to complete the task. During the course of the Schedules and Statements process, FTI: (i) participated in organizational meetings with the financial and accounting groups to design and developed a data gathering process and timeline for filing of the Schedules and Statements; (ii) gathered data from the various corporate, divisional, and functional groups; (iii) developed a process to gather and reconcile information from the Debtors’ trial balance and balance sheets; (iv) analyzed voluminous data submissions to verify

accuracy and consistent format for consolidation into the FTI's Claims Management System; (v) conducted multiple status meetings, conference calls with the Debtors and Debtors' Counsel to raise or resolve issues related to the collection of data for the Statements and Schedules; (vi) generated multiple review drafts and conducted review meetings with the Debtors and Debtors' Counsel to identify missing or incomplete data and to ensure accuracy of data included in the Statements and Schedules; (vii) complied workpapers in support of the Statements and Schedules; (viii) worked with Debtors and Debtors' Counsel to draft the Global Notes for the Statements and Schedules, an integral part of the ultimate submission to the Court; (ix) developed a presentation of the Statements and Schedules for management review and (x) coordinated the production of both paper and electronic versions of the final version of documents submitted to the Court on January 20, 2006.

FTI also assisted the Debtors file an Amendment To the Schedules which was filed with the Court on February 1, 2006. FTI worked with the Debtors' Claims Agent to transfer data from the Schedules electronically to be used in the claims noticing process.

FTI assembled an experienced team to assist the Debtors' in the Statement and Schedules process. Given the magnitude of this court submission, the Debtors' required experienced assistance to train the Debtors' personnel, establish and coordinate the process, outline the requirements, resolve issues and assemble such a large and important filing. FTI's efforts were instrumental to the Debtors fulfilling this statutory requirement in an efficient and timely manner.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	45.7	\$28,562.50
Caruso, Robert	Senior Managing Director	\$580	3.7	\$2,146.00
King, Scott	Senior Managing Director	\$580	155.0	\$89,900.00

Name	Position	Billing Rate	Total Hours	Total Fees
Frankum, Adrian	Managing Director	\$560	443.8	\$248,528.00
Behnke, Thomas	Managing Director	\$540	688.7	\$371,898.00
Guglielmo, James	Managing Director	\$540	13.6	\$7,344.00
Schlater, Benjamin	Managing Director	\$520	0.9	\$468.00
Mack, Chris	Director	\$445	1.6	\$712.00
Wada, Jarod	Director	\$445	717.7	\$319,376.50
Ehrenhofer, Jodi	Director	\$415	282.5	\$117,237.50
Busse, Carl	Consultant	\$365	9.3	\$3,394.50
Pokrassa, Michael	Consultant	\$365	0.3	\$109.50
Ubelhor, Julia	Consultant	\$365	286.4	\$104,536.00
Dana, Steven	Consultant	\$340	563.4	\$191,556.00
Robinson, Josh	Consultant	\$340	4.9	\$1,666.00
Stevning, Johnny	Consultant	\$340	17.1	\$5,814.00
Summers, Joseph	Consultant	\$340	409.3	\$139,162.00
Nathan, Robert	Consultant	\$310	5.1	\$1,581.00
Uhl, Michael	Associate	\$265	527.5	\$139,787.50
Concannon, Joseph	Associate	\$235	13.4	\$3,149.00
Lewandowski, Douglas	Associate	\$235	20.9	\$4,911.50
Lung, Jinny	Associate	\$235	29.5	\$6,932.50
Amico, Marc	Associate	\$205	129.3	\$26,506.50
Christu, Brian	Associate	\$205	46.5	\$9,532.50
Lee, Ernest	Associate	\$205	16.0	\$3,280.00
McDonagh, Timothy	Associate	\$205	1.6	\$328.00
Nentin, Sarosh	Associate	\$205	74.9	\$15,354.50
Ng, William	Associate	\$205	75.2	\$15,416.00
Park, Ji Yon	Associate	\$205	63.1	\$12,935.50
Schondelmeier, Kathryn	Associate	\$205	573.9	\$117,649.50
Shah, Sanket	Associate	\$205	423.9	\$86,899.50
Swanson, David	Associate	\$205	209.2	\$42,886.00
Sub-total			5,853.9	\$2,119,560.00
Fee accommodation				(\$70,000.00)
Total			5,853.9	\$2,049,560.00

44 – Fulfill Information Requests and Participate in Meetings with Unsecured Creditors Committee (“UCC”) and its Advisors

FTI expended valuable time in participating in meetings with the UCC and its Advisors, and coordinating and fulfilling numerous requests for financial and operational data pertaining to the Debtors. On a monthly basis, FTI has assisted the Debtors and Counsel in the preparation and presentation of extensive presentation materials for the typically scheduled monthly meetings with the UCC and its advisors regarding the status of the Debtors' reorganization, significant case updates and key issues.

On an ongoing basis, FTI has also worked with the Company to efficiently and effectively manage, coordinate and monitor the requests for information and meetings/conference calls received from the financial advisors to the UCC. FTI reviewed specific information requests, determined who at the Company could best fulfill the request, scheduled and conducted meetings between Company personnel and the requesting party and followed up to ensure that information requests were appropriately fulfilled. Through January 2006, FTI had, on behalf of the Debtors, forwarded to Mesriow Financial Consulting nearly 300 individual documents related to various information requests received on topics including, but not limited to, First Day Order Compliance; supplier management issues (including the contract assumption motion); historical financial results; short-term and long-term financial projections, and detail of specific transactions of both the Debtors and Delphi Corporation, the consolidated company.

Furthermore, FTI has also organized numerous on-site and telephonic conference meetings with the UCC advisors and various key personnel in the Debtors' organization to be responsive to the UCC's inquiries of the Debtors and its business dealings. These meetings have allowed the UCC advisors to efficiently monitor the Debtors while gaining significant exposure and insight from the Debtor's key financial and operational management team.

FTI's efforts in this area have assisted the Debtors in keeping the UCC and their representatives informed of new developments in the case and helped to maintain an effective working relationship with the UCC and their representatives by coordinating all information requests and serving as the liaison to the UCC's financial advisor.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	220.1	\$137,562.50
Caruso, Robert	Senior Managing Director	\$580	80.9	\$46,922.00
King, Scott	Senior Managing Director	\$580	39.5	\$22,910.00
Frankum, Adrian	Managing Director	\$560	56.0	\$31,360.00
Behnke, Thomas	Managing Director	\$540	12.0	\$6,480.00
Guglielmo, James	Managing Director	\$540	392.9	\$212,166.00
Kuby, Kevin	Managing Director	\$540	1.4	\$756.00
Schlater, Benjamin	Managing Director	\$520	5.5	\$2,860.00
Wehrle, David	Director	\$495	85.7	\$42,421.50
Emrikian, Armen	Director	\$445	3.9	\$1,735.50
Mack, Chris	Director	\$445	31.7	\$14,106.50
Santos, Dominic	Director	\$445	0.4	\$178.00
Wada, Jarod	Director	\$445	49.2	\$21,894.00
Pokrassa, Michael	Consultant	\$365	5.5	\$2,007.50
Dana, Steven	Consultant	\$340	47.9	\$16,286.00
Fletemeyer, Ryan	Consultant	\$340	364.1	\$123,794.00
Robinson, Josh	Consultant	\$340	5.2	\$1,768.00
Weber, Eric	Consultant	\$310	2.2	\$682.00
Uhl, Michael	Associate	\$265	2.7	\$715.50
Concannon, Joseph	Associate	\$235	6.6	\$1,551.00
Zavo, Kristen	Associate	\$235	0.7	\$164.50
Amico, Marc	Associate	\$205	12.0	\$2,460.00
McDonagh, Timothy	Associate	\$205	33.6	\$6,888.00
Nentin, Sarosh	Associate	\$205	2.9	\$594.50
Panoff, Christopher	Associate	\$205	68.2	\$13,981.00
Schondelmeier, Kathryn	Associate	\$205	5.3	\$1,086.50
Swanson, David	Associate	\$205	2.2	\$451.00
Sub-total			1,538.3	\$713,781.50
Fee accommodation				(\$5,000.00)
Total			1,538.3	\$708,781.50

48 - Set-off Analysis

As part of the DIP Financing Order, the Court established procedures for the Debtors to follow with respect to customer set-off claims. During the first months of the case, the Debtors received approximately 40 set-off claims. FTI participated in weekly meetings with the Debtors to monitor and respond to these numerous set-off requests. FTI worked with the Debtors at these meetings in ascertaining the appropriateness of the set-off requests and assisted in developing the summary reconciliations from the detailed analyses of the transaction records of the Debtors and the set-off claimant's records. This assistance was instrumental to the Debtors in carefully evaluating and resolving these claims through the court approved jutionation process.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	9.8	\$6,125.00
Guglielmo, James	Managing Director	\$540	11.2	\$6,048.00
Mack, Chris	Director	\$445	10.4	\$4,628.00
Ubelhor, Julia	Consultant	\$365	0.9	\$328.50
Fletemeyer, Ryan	Consultant	\$340	71.4	\$24,276.00
Amico, Marc	Associate	\$205	8.0	\$1,640.00
Sub-total			111.7	\$43,045.50
Fee accommodation				(\$1,000.00)
Total			111.7	\$42,045.50

50 – Petitions and Fulfill Information Requests/Requirements of the U.S. Trustee

FTI coordinated work sessions with management of the Debtors and Debtors' Counsel to assist in preparing information to fulfill requirements under the U.S. Trustee Guidelines during the first weeks of the case and for the initial Debtors' conference. In this role, FTI worked with management to obtain, compile and analyze accounts receivable data for all of the Debtors'; insurance policies and related certificates of

insurance; listings of bank signatories and other various financial statements and tax returns and other information for submission to the U.S. Trustee.

On October 14, 2005, Delphi Corporation subsidiaries, MobileAria Inc., Delphi Receivables LLC and Delphi Furukawa Wiring Systems LLC filed for Chapter 11. In support of these proceedings, FTI researched and obtained financial and other information regarding these entities to complete the bankruptcy petitions. FTI also assisted the Debtors and Debtors' Counsel in preparing and participating in comprehensive presentations for the October 17, 2005 Organizational Meeting of Creditors and the subsequent February 3, 2006 341 meeting.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	11.7	\$7,312.50
Caruso, Robert	Senior Managing Director	\$580	0.4	\$232.00
King, Scott	Senior Managing Director	\$580	4.3	\$2,494.00
Frankum, Adrian	Managing Director	\$560	19.4	\$10,864.00
Behnke, Thomas	Managing Director	\$540	3.5	\$1,890.00
Guglielmo, James	Managing Director	\$540	26.5	\$14,310.00
Wehrle, David	Director	\$495	7.9	\$3,910.50
Wada, Jarod	Director	\$445	47.7	\$21,226.50
Pokrassa, Michael	Consultant	\$365	0.7	\$255.50
Dana, Steven	Consultant	\$340	2.7	\$918.00
McDonagh, Timothy	Associate	\$205	6.0	\$1,230.00
Park, Ji Yon	Associate	\$205	1.0	\$205.00
Schondelmeier, Kathryn	Associate	\$205	15.0	\$3,075.00
Sub-total			146.8	\$67,923.00
Fee accommodation				(\$20,000.00)
Total			146.8	\$47,923.00

70 - Supplier Call Center

The Supplier Support Center (the “SSC”) was a critical component of the Debtors’ supplier communications and management strategy to stabilize the supply chain in the immediate post-petition operating environment. Maintaining continuity of supply was an essential strategy to ensure customers had confidence the Debtors could meet production schedules while operating in Chapter 11. FTI assisted the Debtors to field, prioritize and respond to nearly 13,000 supplier calls during the Application Period on topics including terms renegotiations, general Chapter 11 questions, potential applicability of First Day Orders, and timeliness of post-petition payments. FTI also assisted the Debtors in handling over 1,700 supplier requests regarding modification of post-petition trade terms. Supplier issues ranged in complexity from informational inquiries to threats of major and immediate supply interruptions which would adversely impact manufacturing operations for both the Debtors and its customers.

FTI provided additional services during this period, including, but not limited to: (i) customizing a proprietary call and response tracking database to the Debtors’ specifications; (ii) creating pre-defined and ad-hoc reports to prioritize and direct these supplier issues to the designated Debtors’ personnel for resolution; (iii) managing the SSC on a daily basis; and (iv) interacting with business and functional groups of the Debtors to resolve supplier issues such as trade term requests and shipping interruptions in a timely manner. To maximize the efficient administration of the SSC, FTI trained and utilized a substantial number of key supplier employees of the Debtors to work alongside FTI professionals. Through these efforts, the Debtors were able to respond quickly to supplier concerns resulting in minimal disruption to daily business operations and no interruption to customer operations.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	3.1	\$1,937.50
Caruso, Robert	Senior Managing Director	\$580	38.9	\$22,562.00
Frankum, Adrian	Managing Director	\$560	0.3	\$168.00
Daversa, Aileen	Managing Director	\$520	5.2	\$2,704.00
Wehrle, David	Director	\$495	17.0	\$8,415.00
Emrikian, Armen	Director	\$445	20.9	\$9,300.50
Santos, Dominic	Director	\$445	27.3	\$12,148.50
Marbury, Aaron	Consultant	\$340	20.9	\$7,106.00
Robinson, Josh	Consultant	\$340	427.0	\$145,180.00
Summers, Joseph	Consultant	\$340	272.1	\$92,514.00
Tamm, Christopher	Consultant	\$310	127.6	\$39,556.00
Weber, Eric	Consultant	\$310	183.9	\$57,009.00
Uhl, Michael	Associate	\$265	0.5	\$132.50
Panoff, Christopher	Associate	\$205	137.1	\$28,105.50
Shah, Sanket	Associate	\$205	277.4	\$56,867.00
Sub-total			1,559.2	\$483,705.50
Fee accommodation				(\$11,000.00)
Total			1,559.2	\$472,705.50

71 - Call Center A/P Administration

Numerous checks disbursed by the Debtor prepetition were still outstanding as of the Petition Date. In addition, the incidence of returned checks was particularly high with foreign suppliers since many of them do not maintain accounts with domestic banks that permit receipt of electronic payments. These payment issues created supplier-relations issues immediately following the filing that threatened the uninterrupted supply of parts to the Debtors' plants and customers.

In order to respond to these and other similar issues, timely access to accounts payable data including payment terms and pre-petition balances was of critical importance. FTI's SSC database and software was used to provide this data to the Debtors' supply management lead negotiators and SSC personnel to assist in the prompt resolution of these matters without interruption of customer's operations. In addition, the

Debtors utilized the terms information captured in the SSC database to monitor efforts to maintain trade terms and liquidity during the post-petition period.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Caruso, Robert	Senior Managing Director	\$580	1.6	\$928.00
Behnke, Thomas	Managing Director	\$540	2.3	\$1,242.00
Daversa, Aileen	Managing Director	\$520	3.0	\$1,560.00
Wehrle, David	Director	\$495	22.5	\$11,137.50
Emrikian, Armen	Director	\$445	1.6	\$712.00
Ubelhor, Julia	Consultant	\$365	1.9	\$693.50
Robinson, Josh	Consultant	\$340	1.7	\$578.00
Total			34.6	\$16,851.00

75 - Supplier Relations

FTI assisted the Debtors in establishing a post-petition supplier management process to effectively and efficiently manage supplier negotiations. Parts supplied by the Debtors must undergo lengthy and rigorous certification processes and validation tests. Nearly all of the Debtors' direct suppliers are the sole source of certain materials and parts used in operations. Maintaining good supplier relations and the integrity and stability of the supply chain is critical to the Debtors' reorganization efforts. FTI participated in specific supplier negotiations with employees of the Debtors and Debtors' Counsel and facilitated in the resolution of threatened hostage (no-ship) situations and priority supply chain issues.

FTI provided assistance in monitoring hostage reports, responding to correspondence and communicating with various suppliers regarding specific supplier issues. FTI provided support to the various Delphi commodity teams and divisional personnel to assist Delphi Global Supply Management team address these issues as well as coordination of responses to requests for payment under the various First Day Orders.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	9.4	\$5,875.00
O'Connor, Finbarr	Senior Managing Director	\$585	51.9	\$30,361.50
Caruso, Robert	Senior Managing Director	\$580	112.0	\$64,960.00
King, Scott	Senior Managing Director	\$580	0.6	\$348.00
Ho, Rocky	Senior Managing Director	\$560	97.4	\$54,544.00
Behnke, Thomas	Managing Director	\$540	0.2	\$108.00
Daversa, Aileen	Managing Director	\$520	25.0	\$13,000.00
Wehrle, David	Director	\$495	141.8	\$70,191.00
Emrikian, Armen	Director	\$445	40.0	\$17,800.00
Santos, Dominic	Director	\$445	0.8	\$356.00
Ubelhor, Julia	Consultant	\$365	4.9	\$1,788.50
Marbury, Aaron	Consultant	\$340	62.1	\$21,114.00
Summers, Joseph	Consultant	\$340	0.5	\$170.00
Tamm, Christopher	Consultant	\$310	14.0	\$4,340.00
Weber, Eric	Consultant	\$310	2.4	\$744.00
Uhl, Michael	Associate	\$265	10.7	\$2,835.50
Shah, Sanket	Associate	\$205	0.4	\$82.00
Sub-total			574.1	\$288,617.50
Fee accommodation				(\$5,000.00)
Total			574.1	\$283,617.50

77 – Supplier Contract Assumption/Extension

During this period, FTI assisted the Debtors with the assessment, and review and strategy for renewal of over 11,000 supply contracts due to expire on or about December 31, 2005. The Debtors' inability to reach agreements with suppliers for the continued provision of the goods subsequent to contract expiration would have been devastating to their business because such suppliers, absent extension of their agreements, would be under no continuing obligation to provide such goods to the Debtors. Without the continued shipments from suppliers, the Debtors' manufacturing process, and the entire automotive industry as a whole, could face imminent shutdown following expiration of

the agreements. To facilitate the resolution of the many supplier contract extension issues facing the Debtors, FTI assisted in developing a contract negotiation and assumption process with the assistance of Debtors' Counsel which was filed with approved the Court and approved in December.

FTI assisted the Debtors with identifying information needed to support the analysis of their business case for contract assumption. Specifically, FTI developed a spreadsheet for use by the Debtors lead negotiators to quantify the impact on the estate of various contract assumption options including the impact of terms changes, resourcing costs, and price changes. FTI assisted the Debtors in developing a protocol to be used for the review of requests for contract assumptions including documents and checklists for the internal meetings and discussions with financial advisors to the UCC and pre-petition lenders.

FTI has participated in contract assumption review meetings with the Debtors, Debtors' Counsel, and Advisors to the UCC. FTI also assisted the Debtors with the development of a process to provide data on the number of conforming and non-conforming settlements, settlement amounts, annual purchasing volumes, and estimated preference waivers for review and where appropriate approval by the UCC and its Advisors.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	38.9	\$24,312.50
Caruso, Robert	Senior Managing Director	\$580	92.4	\$53,592.00
King, Scott	Senior Managing Director	\$580	3.0	\$1,740.00
Frankum, Adrian	Managing Director	\$560	2.1	\$1,176.00
Behnke, Thomas	Managing Director	\$540	0.5	\$270.00
Schlater, Benjamin	Managing Director	\$520	3.2	\$1,664.00
Wehrle, David	Director	\$495	222.8	\$110,286.00
Emrikian, Armen	Director	\$445	2.6	\$1,157.00

Name	Position	Billing Rate	Total Hours	Total Fees
Mack, Chris	Director	\$445	13.7	\$6,096.50
Santos, Dominic	Director	\$445	2.8	\$1,246.00
Marbury, Aaron	Consultant	\$340	191.0	\$64,940.00
Robinson, Josh	Consultant	\$340	17.5	\$5,950.00
Weber, Eric	Consultant	\$310	23.9	\$7,409.00
Concannon, Joseph	Associate	\$235	17.7	\$4,159.50
Panoff, Christopher	Associate	\$205	173.3	\$35,526.50
Sub-total			805.4	\$319,525.00
Fee accommodation				(\$2,000.00)
Total			805.4	\$317,525.00

90 - Virtual Data Room

FTI established virtual data rooms for the Debtors in order to effectively respond to numerous but similar requests for data and information on specific case matters: KECP and union negotiations. FTI expended efforts to design and maintain the data rooms as well as load documents and handle user-access related issues. A key benefit of the data rooms that were constructed is that they allow for a central electronic repository to house voluminous records and documents that have been requested by many of the unions (and their representatives) and the objecting parties to the KECP motion. The data rooms are available 24 hours a day, 7 days a week to authorized users, and allow the Debtors to provide timely and equal access to users to review.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Pfromer, Edward	Managing Director	\$350	45.7	\$15,995.00
Kem, Sothearith	Senior Consultant	\$225	5.9	\$1,327.50
Nguyen, Liem	Consultant	\$225	4.2	\$945.00
Phan, Minh-Thu	Consultant	\$225	4.5	\$1,012.50
Yi, Yun-Steve	Consultant	\$200	3.0	\$600.00
Sivapathasekar, Balasubramanian	Consultant	\$175	5.3	\$927.50

Name	Position	Billing Rate	Total Hours	Total Fees
Findley, William	Paraprofessional	\$150	0.8	\$120.00
Withrow, Mary	Paraprofessional	\$75	1.0	\$75.00
Freeman, Brian	Paraprofessional	\$65	0.6	\$39.00
Tran, Kimberly	Technical Consultant	\$50	2.2	\$110.00
Total			73.2	\$21,151.50

97 - General Administration

FTI expended necessary time in the overall project planning, budgeting and staffing of this engagement to ensure services were provided in the most efficient manner. FTI established project teams and developed reporting protocols to facilitate engagement management. In addition, time expended in this category also includes hours incurred to perform and review supplemental conflict checks pertaining to FTI's retention.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	8.8	\$5,500.00
Caruso, Robert	Senior Managing Director	\$580	5.1	\$2,958.00
King, Scott	Senior Managing Director	\$580	2.7	\$1,566.00
Frankum, Adrian	Managing Director	\$560	14.9	\$8,344.00
Behnke, Thomas	Managing Director	\$540	0.4	\$216.00
Guglielmo, James	Managing Director	\$540	20.7	\$11,178.00
Wada, Jarod	Director	\$445	8.8	\$3,916.00
Goad, Charles	Director	\$415	0.6	\$249.00
Dana, Steven	Consultant	\$340	7.7	\$2,618.00
Flettemeyer, Ryan	Consultant	\$340	3.7	\$1,258.00
Zavo, Kristen	Associate	\$235	6.3	\$1,480.50
Amico, Marc	Associate	\$205	0.2	\$41.00
Schondelmeier, Kathryn	Associate	\$205	12.4	\$2,542.00
Sub-total			92.3	\$41,866.50
Fee accommodation				(\$5,000.00)
Total			92.3	\$36,866.50

98 - Fee Application Process

FTI expended resources required for the timely filing of monthly fee statements in accordance with the Administrative Order Pursuant to 11 U.S.C. Sections 105(a) and 331 Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals dated November 4, 2005.

This category includes time spent preparing the Monthly Fee Statements for the fee periods of October 8, 2005 through November 30, 2005, and December 1, 2005 through December 31, 2005. FTI's time expended in preparation of this First Interim Fee Application will be reflected in FTI's Second Interim Fee Application.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	16.0	\$10,000.00
Frankum, Adrian	Managing Director	\$560	20.4	\$11,424.00
Guglielmo, James	Managing Director	\$540	63.0	\$34,020.00
Schlater, Benjamin	Managing Director	\$520	1.7	\$884.00
Wada, Jarod	Director	\$445	4.9	\$2,180.50
Fletemeyer, Ryan	Consultant	\$340	0.8	\$272.00
Hofstad, Ivo	Consultant	\$265	1.5	\$397.50
Amico, Marc	Associate	\$205	92.6	\$18,983.00
Johnston, Cheryl	Paraprofessional	\$168	327.8	\$55,070.40
Napolielo, Mary	Paraprofessional	\$168	104.4	\$17,539.20
Sub-total			633.1	\$150,770.60
Fee accommodation				(\$17,000.00)
Total			633.1	\$133,770.60

99 – Travel

Fees for travel time have been charged at one half (50%) of the actual time incurred. Such travel time encompasses: (i) travel time to and from the client site in Troy, Michigan (ii) travel to New York to attend various hearings and meetings; and (iii) travel

time to various locations for purposes of assisting with bankruptcy proceedings and related items.

A summary of the hours incurred and total fees by each professional for the foregoing services is provided in the following table:

Name	Position	Billing Rate	Total Hours	Total Fees
Eisenberg, Randall	Senior Managing Director	\$625	74.0	\$46,250.00
O'Connor, Finbarr	Senior Managing Director	\$585	6.0	\$3,510.00
Caruso, Robert	Senior Managing Director	\$580	67.0	\$38,860.00
King, Scott	Senior Managing Director	\$580	55.5	\$32,190.00
Ho, Rocky	Senior Managing Director	\$560	37.0	\$20,720.00
Frankum, Adrian	Managing Director	\$560	84.0	\$47,040.00
Behnke, Thomas	Managing Director	\$540	107.9	\$58,266.00
Guglielmo, James	Managing Director	\$540	99.0	\$53,460.00
Kuby, Kevin	Managing Director	\$540	14.0	\$7,560.00
Daversa, Aileen	Managing Director	\$520	5.0	\$2,600.00
Schlater, Benjamin	Managing Director	\$520	50.0	\$26,000.00
Wehrle, David	Director	\$495	75.4	\$37,323.00
Emrikian, Armen	Director	\$445	54.0	\$24,030.00
Mack, Chris	Director	\$445	87.5	\$38,937.50
Santos, Dominic	Director	\$445	69.3	\$30,838.50
Wada, Jarod	Director	\$445	85.0	\$37,825.00
Ehrenhofer, Jodi	Director	\$415	18.0	\$7,470.00
Goad, Charles	Director	\$415	36.0	\$14,940.00
Manalo, Caroline	Consultant	\$385	6.0	\$2,310.00
Karamanos, Stacy	Consultant	\$365	14.0	\$5,110.00
Pokrassa, Michael	Consultant	\$365	80.0	\$29,200.00
Ubelhor, Julia	Consultant	\$365	26.0	\$9,490.00
Dana, Steven	Consultant	\$340	75.0	\$25,500.00
Flettemeyer, Ryan	Consultant	\$340	81.0	\$27,540.00
Lawand, Gilbert	Consultant	\$340	9.0	\$3,060.00
Marbury, Aaron	Consultant	\$340	60.0	\$20,400.00
Robinson, Josh	Consultant	\$340	38.0	\$12,920.00
Summers, Joseph	Consultant	\$340	44.5	\$15,130.00
Tandon, Vaibhav	Consultant	\$340	7.0	\$2,380.00
Tamm, Christopher	Consultant	\$310	58.0	\$17,980.00
Weber, Eric	Consultant	\$310	52.0	\$16,120.00

Name	Position	Billing Rate	Total Hours	Total Fees
Uhl, Michael	Associate	\$265	4.0	\$1,060.00
Concannon, Joseph	Associate	\$235	64.0	\$15,040.00
Zavo, Kristen	Associate	\$235	20.0	\$4,700.00
Amico, Marc	Associate	\$205	15.0	\$3,075.00
McDonagh, Timothy	Associate	\$205	63.0	\$12,915.00
Panoff, Christopher	Associate	\$205	91.0	\$18,655.00
Park, Ji Yon	Associate	\$205	70.0	\$14,350.00
Schondelmeier, Kathryn	Associate	\$205	72.0	\$14,760.00
Shah, Sanket	Associate	\$205	22.0	\$4,510.00
Swanson, David	Associate	\$205	6.0	\$1,230.00
Young, Robert	Associate	\$205	35.0	\$7,175.00
Sub-total			2,037.1	\$812,430.00
Fee accommodation				(\$407,100.00)
Total			2,037.1	\$405,330.00

8. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit A.

9. Pursuant to the UST Guidelines, annexed hereto as Exhibit B is a schedule setting forth all FTI professionals and paraprofessionals who have performed services in these Chapter 11 cases during the Application Period, the capacities in which each such individual is employed by FTI, the department in which each individual practices, the hourly billing rate charged by FTI for services performed by such individual, and the aggregate number of hours expended in this matter and fees billed.

10. Attached as Exhibit C is a Summary of Fees and Expenses by Month which also provides the voluntary fee accommodations taken by FTI on a monthly basis. Payments made by the Debtors to FTI for fees and expenses incurred during the Application Period are reflected as well.

11. Attached hereto as Exhibit D is a Summary of Fees and Hours by Project Category of the services performed by FTI during the Application Period.

12. Attached hereto as Exhibit E is a Summary of Expenses by Month specifying the categories of expenses for which FTI is seeking reimbursement, and the total amount for each such expense category.

13. Attached hereto as Exhibit G and H are the exhibits which were prepared in support of the October (Petition Date)-November, December and January Fee Statements. Contained therein, are FTI's detailed fees by category by professional for each of the three fee statement periods encompassed in the Application Period. FTI's itemized time records include: (i) the date each service was rendered, (ii) the professional who performed the service, (iii) a description of the service rendered, (iv) the time spent performing the service in increments of tenths of an hour. FTI's expenses, for which reimbursement is being sought, are disclosed in detail by individual and by expense category.

14. As set forth in summary in Exhibit E and in detail in Exhibit H attached hereto, FTI has incurred \$687,569.02 in expenses on behalf of the Debtors in providing professional services during the Application Period. The actual expenses incurred in providing professional services were necessary, reasonable, and justified under the circumstances to serve the needs of the Debtors in these Chapter 11 cases. FTI states as follows regarding these expenses: external copying charges are at the provider's cost without markup; actual cost for overnight delivery and postage at provider's cost are billed without markup; charges for office supplies purchased for on-site work at the client are at the provider's cost without markup. The location of the Debtors and the need to be on-site to administer many of the duties on behalf of the Debtors caused FTI to travel extensively to and from various FTI offices to provide advisory services. All air travel to and from the Debtors' location was necessary and billed at actual coach airfare.

15. FTI has not requested reimbursement for certain out-of-pocket expenses

when it would not be possible to assemble the billing details for reimbursement under the Guidelines. These unbilled out-of-pocket expenses typically include telephone charges for calls placed from FTI's offices, postage costs and copying and facsimile charges incurred at FTI's offices in connection with these cases. Additionally, FTI voluntarily limited meal charges per meal and did not seek reimbursement for lunch charges.

16. FTI elected to make certain voluntary fee accommodations within the Application Period. These reductions resulted from eliminating time incurred that FTI believes to be valuable to the efficient and effective execution of its responsibilities, but recognizes that the direct benefit may be less than obvious. For this reason, and in good faith effort to insure that FTI's compensation request represents proper value, FTI eliminated these fees from its request. Such voluntary reductions total \$607,100 in professional fees, inclusive of reducing all travel fees by 50% during the Application Period. The reductions are permanent, with prejudice, and indicate our best effort to ensure that our fees represent appropriate value.

RELIEF REQUESTED

17. Section 330 of the Bankruptcy Code, as amended by the Bankruptcy Reform Act of 1994, governs compensation of professionals in a bankruptcy case and empowers the Court to award reasonable compensation for actual and necessary services and reimbursement for actual and necessary expenses. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 of the Bankruptcy Code to govern the Court's award of such compensation. Section 330 of the Bankruptcy Code also sets forth the criteria for the award of such compensation and reimbursement. The time and fees incurred by FTI in rendering professional services on behalf of the Debtors should be considered in light of: (a) the novelty and complexity of issues presented and the amounts and results achieved; (b) the time and labor required; (c) the skills

required to properly perform the financial advisory services; (d) the customary fee to a client for the services rendered outside of bankruptcy; (e) the time constraints imposed by the urgency of the case; (f) the experience, reputation and ability of the professionals rendering services; (g) the efficient administration of the estate; and (h) the avoidance of duplicate fees. FTI believes that the consideration of these criteria more than justifies the compensation requested.

(a) *Novelty and complexity of issues presented and the amounts and results achieved* – This case involved multi-faceted questions and issues regarding the complex legal structure of the Debtors with forty-two (42) entities filing for the largest manufacturer to file for Chapter 11. FTI assisted the Debtors in filing the Statements and Schedules for 42 Debtors on January 20, 2006 as well as an Amendment on February 1, 2006. This combined submission contained approximately 23,500 pages and the Schedules included over 367,000 liability and executory contract entries. FTI has been instrumental in assisting the Debtors stabilize its critical supply chain through the efforts of the Supplier Support Center where approximately 13,000 supplier calls were received and issues resolved in a timely manner. Additionally, FTI has played a key role in preparing and communicating important information to various parties-in-interest in these matters, such as the UCC and their advisors. FTI has also played a key role in helping the Debtors manage and evaluate the 853 reclamation demands it has received in these cases, one of the largest if not the largest reclamation resolution efforts. FTI has also provided extensive advice and guidance regarding a myriad of strategic, operational and financial issues. Overall, FTI asserts that the professional services provided have been invaluable to the timely progression of these proceedings.

(b) *Time and labor required* – The time and labor expended by FTI has been commensurate with the size and complexity of the case. FTI made a dedicated effort to avoid duplication of effort and to leverage staff appropriately. The complex issues of the case required staff professionals to conference and collaborate at certain times to ensure the efficient allocation of resources and to plan strategies effectively. While essential to

the effective administration of the engagement, to the extent possible these conferences were kept to a minimum. FTI kept management informed of its activities and has not commenced any work or analysis without the consent, knowledge and approval of the Debtors' management team. To this end, approximately 66 FTI professionals and paraprofessionals expended 24,942.6 hours during the Application Period rendering professional services on behalf of the Debtors and their estates.

(c) *Skills required to properly perform the financial advisory services* – FTI was instrumental in providing facts and reporting results that enabled the Debtors to make informed decisions on complex issues. The specialized and complex nature of these issues require professionals with demonstrated skill and experience to appropriately address the issues, and to provide relevant expert testimony if necessary. As such, FTI utilized certain professionals with substantial experience and expertise for the work associated with this assignment. FTI has spent considerable time and resources over the past several years in developing and refining its reorganization and restructuring experience, and the professionals who have worked on this case have demonstrated the skill required to provide the services necessary to assist the Debtors throughout these proceedings.

(d) *Customary fee to a client for the services rendered outside of bankruptcy* - The compensation requested in this Application reflects the usual and customary fees charged by FTI for similar services in this marketplace. The hourly fees charged to clients are dependent upon the experience of the individuals assigned to the engagement. The fees requested herein are not in excess of those charged to our non-bankruptcy clients. Upon FTI's knowledge and belief, the rates sought for approval herein are commensurate or below the usual and customary rates charged for services performed by comparable experts in bankruptcy cases.

(e) *Time constraints imposed by the urgency of the case* – The case has moved rapidly, and at times required substantial effort by FTI in completing work to meet

specific Court deadlines and specific case issues. Examples, as noted above, include FTI's efforts to meet the January 20, 2006 deadline set by the Court to complete the timely filing of Statements and Schedules for all entities; meeting the reclamation claimant notification deadline; resolution of supplier contract expirations and renewals; and the need to stabilize the supply chain to ensure continuity of product delivery. FTI adapted its staffing to appropriately address these and other urgent matters.

(f) *Experience, reputation and ability of the professionals rendering services* - The Debtors selected FTI due to the experience and expertise of its professionals both in bankruptcy proceedings and for its particular industry knowledge. The combination of FTI's industry expertise and bankruptcy experience has enabled the Debtors to make informed decisions during the proceedings. Over the past several years, FTI has been involved in numerous bankruptcy cases and, as a result, has many professionals and support staff who are extremely knowledgeable with respect to the specialized work and analyses required in a Chapter 11 proceeding.

(g) *Efficient administration of the estate* - The services in this case were rendered, whenever possible, by those professionals with the lowest billing rates and the degree of experience and specialization needed to perform the services required efficiently and properly. In addition, FTI sought Debtor personnel to assist with services whenever possible. For example, FTI utilized and trained numerous Debtor personnel to work alongside the professionals in the reclamation claims evaluation process and in the Supplier Support Center.

(h) *The avoidance of duplicate fees* - To the best of FTI's knowledge and belief, there has been no duplication of professional services rendered between FTI and any other professionals of the Bankruptcy estate.

18. In sum, the services rendered by FTI were necessary and beneficial to the Debtors and their estates, and were consistently performed in a timely manner commensurate

with the complexity, importance, novelty, and nature of the issues involved. Accordingly, approval of the compensation sought herein is warranted.

19. There is no agreement or understanding between FTI and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these Chapter 11 cases.

20. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Application Period, but were not processed prior to the preparation of this Application, FTI reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

21. FTI respectfully submits that the relevant legal authorities are set forth herein and that this Application presents no novel issues of law. Thus, FTI respectfully submits that this Application satisfies the requirement set forth in the Southern District of New York Local Bankruptcy Rule 9013-1 that a separate memorandum of law be filed in support of this Application.

22. Notice of the Application has been provided to (i) the Debtors; (ii) Debtors' Counsel; (iii) United States Trustee for the Southern District of New York; (iv) Counsel for the UCC; (v) Counsel for the agent under the Debtors' pre-petition credit facility; and (vi) Counsel for the agent under the Debtors' post-petition credit facility. In light of the nature of the relief requested herein, FTI submits that no other or further notice is required.

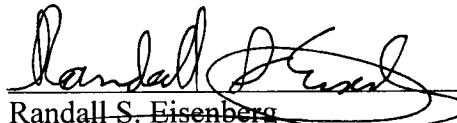
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CONCLUSION

WHEREFORE, FTI Consulting, Inc. respectfully requests this Court to: (i) approve its First Interim Application for compensation for the period from October 8, 2005 through January 31, 2006 in the amount of \$8,502,443.60 and reimbursement of necessary out-of-pocket expenses in the full amount of \$687,569.02; (ii) authorize payment in the amount of \$1,700,488.65 representing the 20% holdback on professional fees for the period of October 8, 2005 through January 31, 2006; and (iii) grant such other and further relief as the Court deems just and proper.

Dated: New York, New York
April 26, 2006

Respectfully submitted



Randall S. Eisenberg
Senior Managing Director
FTI Consulting, Inc.
3 Times Square, 11th Floor
New York, New York 10036
(212) 499-3614
(212) 841-9350 facsimile

Restructuring and Financial Advisor for the
Debtors and Debtors-in-Possession